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SIPDIS

DEPT FOR SA/FO AMBASSADOR QUINN, S/CT, SA/A NSC FOR AHARRIMAN, KAMEND CENTCOM FOR POLAD, CG CFA-A, CG CJTF-76

E.O. 12958: N/A
TAGS: <u>PGOV PHUM IR RS BO AF UNGA SEP</u>
SUBJECT: MINISTRY OF ECONOMY DISSOLVES 1,620 NGOS

11. (U) SUMMARY. Following a Feb 4 deadline, the Minister of Economy (MoE) Mir Mohammad Farhang announced that some 1,620 NGOs had been dissolved for not re-registering with the MoE as required by the Law on NGOs, which was enacted in June 12005. Current records indicate that there are 556 NGOs registered with the MoE, (367 national and 189 international.) The International Center for Not-for-Profit organization noted that the action of the MoE is fully compliant with the law. We do not expect this to have a significant impact on the operations of the NGO community in Afghanistan. END SUMMARY.

BACKGROUND

- 12. (U) In June 2005, President Karzai decreed the Law on NGOs, which required all existing NGOs to re-register within six months of its enactment. According to Article 47.1, "An organization that received a certificate of registration prior to the enforcement of this Law shall, within six months from the enforcement date, submit its re-registration application along with relevant documentation to the NGO Department of the Ministry of Economy (MoE)." Article 35 provides for the dissolution of an NGO, "where the organization does not re-register within 6 months. According to Article 47.1 and Article 47.5, if an NGO is denied re-registration, the MoE is obliged to submit the grounds for denial in writing to the NGO. (NOTE: Prior to June 2005 there were approximately 2,355 registered NGOs operating throughout the country and not all had formally registered with the MoE. Some NGOs were registered at the provincial and district levels. END NOTE.)
- 13. (U) In a February 7 press release, Farhang stated that the MoE had dissolved 1,620 NGOs, (1,497 national and 123 international), for failing to re-register with his Ministry prior to the Feb 4 deadline. Records from the MoE indicated that when the deadline expired, a total of 556 NGOs, (367 national and 189 international), had re-registered with the MoE. Noting that there were still a number of unregistered NGOs in possession of funds from donors for projects yet to be implemented, Farhang stated that those NGOs would be identified, pursued, and punished for not fulfilling their commitments.
- (U) Comment. This is the second incident involving NGOs within the past year. In early 2005, then-Minister of Planning Ramazan Bashardost banned the activities of some 1,935 NGOs on charges of corruption and looting of funds that were earmarked for the reconstruction of Afghanistan. When he failed to win support from the newly formed cabinet, however, Bashardost resigned and a compromise was reached in the form of the June 2005 Law on NGOs. While Farhang's actions may be perceived as similar to Bashardost's, they are actually quite different as Farhang's actions are within the law and Bashardost's were based on emotions. Although the number of NGOs that were registered before the enactment of the Law on NGOs (June 2005) differs from that quoted by the MoE, some NGOs and businesses that were registered as NGOs have not attempted to re-register or may have registered as businesses. The number of successfully registered NGOs is well within the expected range, and we have not heard complaints from the NGO community. End Comment. NEUMANN